



STATE OF WASHINGTON

PUBLIC DISCLOSURE COMMISSION

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TO: Members, Public Disclosure Commission

FROM: Doug Ellis   
Director of Public Outreach

DATE: February 16, 2001

SUBJECT: Continuation of Rule-Making Process

On January 24, 2001 staff filed pre-proposal statements of inquiry (CR 101) with the Code Reviser on six possible rule changes.

The first is a series of five possible rule changes that would increase the dollar threshold at which candidates and political committees would be required to submit full C-Series reports (C-3, C-4 and Schedules) with the Commission and County Auditors. The sixth possible rule change is to provide a street address as simply one option in reporting real property on the Personal Financial Affairs Statement (PDC form F-1).

**I. CHANGING DOLLAR THRESHOLDS**

Under RCW 42.17.370(8), the Commission has the ability to relieve, by rule, candidates or political committees of obligations to comply with the provisions of chapter 42.17 RCW relating to election campaigns, if they have not received contributions nor made expenditures in connection with any election campaign of more than one thousand dollars.

The reference to one thousand dollars in RCW 42.17.370(8) was first established in 1972. In 1986 the Commission adjusted, for inflationary purposes, the Mini and Abbreviated thresholds to the current levels. After applying the Implicated Price Deflator to adjust for inflation, this one thousand dollars becomes \$3,635.76 in today's dollars.

Currently, candidates have three reporting options based upon the amount of money they plan to spend during the campaign.



- The Mini reporting threshold is \$500, excluding filing fee, and the candidate cannot accept more than \$200 in the aggregate from any contributor except from the candidate's own funds. Under this option a candidate files a C-1 registration form and no other reports (except the F-1) are required.
- The Abbreviated reporting threshold is \$2,000 including filing fee and the candidate cannot accept more than \$200 in the aggregate from any contributor except from the candidate's own funds. Under this option a candidate files a C-1 registration form and is required to file a C-4ABB report after the election.
- The Full reporting option requires detailed information on contributions and expenditures on preset reporting dates.

Political committees have the option to use Abbreviated reporting or Full reporting. Candidates may use Mini, Abbreviated or Full reporting.

**Staff Recommendation:** Staff is proposing to eliminate the Abbreviated reporting option, increase the Mini reporting dollar threshold to \$3,500 and adjust the per contributor maximum from \$200 to \$300.

## **POTENTIAL IMPACT**

A review of candidates and political committees using the Mini and Abbreviated reporting option in 1999 and 2000 shows raising the threshold level to \$3,500 would not undermine the purpose of the disclosure law.

In the 1999 election there were a total of 1,556 candidates subject to campaign reporting, and 973 of them used the Mini or Abbreviate reporting option. If the threshold level had been set at \$3,500, another 93 candidates who reported spending no more than \$3,500 may have qualified for less than full reporting\*. That would have resulted in a 6 percent increase in Mini or Abbreviated filers. See chart on page 3.

In the 2000 election there were a total of 1,007 candidates subject to campaign reporting, and 357 of them used the Mini or Abbreviated reporting option. If the threshold level had been at \$3,500, another 48 candidates who reported spending no more than \$3,500 may have qualified for less than full reporting\*. That would have resulted in a 5 percent increase in Mini or Abbreviated filers. See chart on page 4.

\*All candidates raising and spending less than \$3,500 may not have qualified for less than full reporting because they may have received more than the limit allowed from a source other than themselves.

**2000 ELECTION  
CANDIDATES USING MINI OR ABBREVIATED REPORTING**

<b>Office Sought</b>	<b>Total</b>	<b>Mini</b>	<b>Abbrev</b>	<b>\$2001-3000</b>	<b>\$2001-3500</b>	<b>\$2001-4000</b>
Governor	5	0	0	0	0	0
Lt. Governor	5	0	0	0	0	0
Attorney General	5	2	0	0	0	1
State Auditor	3	0	0	0	0	1
Comm of Public Lands	9	1	0	0	0	0
Insurance Comm	5	0	0	1	1	1
Secretary of State	11	2	0	0	0	0
Supt of Public Inst	5	2	0	0	0	0
State Treasurer	4	1	0	0	0	0
State Senator	66	6	2	0	0	3
House	260	24	9	15	16	17
Supreme Court	13	0	2	1	1	1
Court of Appeals	9	5	1	0	0	0
Superior Court	208	97	6	3	4	4
District Court	13	2	0	1	1	2
County Assessor	4	0	1	0	0	0
County Clerk	4	0	1	1	1	1
County Commissioner	192	17	30	15	19	23
County Council	9	0	0	1	1	1
County Prosecutor	2	0	0	0	0	0
County Treasurer	3	0	1	0	0	0
County Executive	3	0	0	0	0	1
Charter Review	105	92	8	0	0	0
Mayor	4	1	0	0	0	0
City Council	4	2	0	0	0	0
Hospital Comm	5	2	3	0	0	0
PUD Comm	50	25	6	3	4	6
Water/Sewer	1	0	0	0	0	0
<b>Total</b>	<b>1007</b>	<b>281</b>	<b>70</b>	<b>41</b>	<b>48</b>	<b>62</b>

1999 ELECTION  
CANDIDATES USING MINI OR ABBREVIATED REPORTING

Office Sought	Total	Mini	Abbrev	\$2001-3000	\$2001-3500	\$2001-4000
State Senate	2	0	1	0	0	0
House	3	0	0	0	0	0
Court of Appeals	1	1	0	0	0	0
Superior Court	15	2	0	2	2	2
County Auditor	2	0	0	0	0	0
County Assessor	5	0	0	0	0	0
County Clerk	2	0	0	0	0	0
County Commissioner	7	2	0	0	0	0
County Coroner	1	0	1	0	0	0
County Council	19	0	0	2	2	3
County Sheriff	4	0	2	0	0	0
County Treasurer	3	0	0	0	0	0
County Executive	7	0	0	0	0	0
Mayor	36	4	5	1	1	2
City Council	485	135	94	40	55	69
City Comptroller	3	0	0	0	0	0
Civil Service Director	1	0	0	0	0	0
Fire District Comm	173	101	33	5	5	5
Hospital District Comm	86	62	6	0	1	1
Park & Rec Comm	51	38	6	0	0	0
Port Comm	88	39	19	3	7	7
PUD Comm	8	6	1	13	0	0
School Board	481	272	84	0	18	22
Sewer Comm	16	12	3	1	1	1
Water Comm	52	31	10	0	0	0
Water/Sewer Comm	5	3	0	0	1	1
Total	1556	708	265	67	93	113

In the 2000 election there were a total of 125 political committees using the Abbreviated reporting option. The chart below indicates the type of committees using the Abbreviated option and the number of additional political committees that may have qualified for less than full reporting during the 2000 election if the threshold level had been at \$3,500.

<b>Political Committees – 2000 Election</b>			
<b><u>Committee Type</u></b>	<b><u>Total</u></b>	<b><u>Abbreviated</u></b>	<b><u>\$2001-3500</u></b>
Political Party	142	15	17
School Levy/Bond	94	30	15
Other	547	80	34
Total	783	125	66

A total of 66 more political committees may have qualified for the Abbreviated reporting option with an increased dollar threshold of \$3,500. Seventeen (17) bona fide political party committees may have dropped below the full reporting thresholds, bringing the total to 32 committees. Fifteen additional school levy/bond committees and 34 other political committees may also have been eligible for less than full reporting. That is slightly more than an 8 percent increase in political committees that may have used the Abbreviated reporting option if the \$3,500 dollar threshold had been in place during the 2000 election\*.

## **POSSIBLE CHANGES**

The possible rule changes would result in the repeal of one rule, amending four rules and the elimination of one PDC form (C-4ABB). See attached example.

**WAC 390-16-105 Abbreviated campaign reporting – Eligibility.** Repeal this rule.

**WAC 390-16-150 Mini campaign reporting.** Increase the overall contribution and expenditure dollar thresholds to \$3,500 and the aggregate single contributor dollar threshold to \$300.

\*All political committees raising and spending less than \$3,500 may not have qualified for other than full reporting because they may have received more than the limit allowed from one source.

**WAC 39-16-111 Abbreviated campaign reporting -- Special fund raising events.** This rule clarifies that the \$200 single contributor threshold does not apply to a fundraising event as long as funds received from any person during the campaign or calendar year do not exceed the limit. This rule would be amended to reflect the proposed threshold.

**WAC 390-16-011 Forms – Registration Statement for Political Committees.** Amend this rule to reflect the changes in Mini reporting and eliminate reference to Abbreviated reporting.

**WAC 390-16-012 Forms – Registration Statement for Candidates.** Amend this rule to reflect the changes in Mini reporting and eliminate reference to Abbreviated reporting.

Increasing the dollar thresholds would not relieve candidates from filing Personal Financial Affairs Statements nor would it relieve candidates or political committees from political advertising requirements, public access to campaign books during the eight days before an election, retaining their records for five years or other requirements under RCW 42.17.

Representatives of Common Cause of Washington, The Allied Daily Newspapers of Washington and the Seattle Ethics and Elections Commission all supported the proposed rule changes.

## **II. REAL PROPERTY**

WAC 390-24-200 outlines what is required in reporting real property on the Personal Financial Affairs Statement (PDC form F-1). Currently, the rule requires that the street address be listed for each parcel, if there is a street address.

Staff is proposing the Commission make the listing of the street address as one of the options for reporting real property. However, using the street address would not be mandatory. The other options would be the assessor's parcel number, the abbreviated legal description appearing on the property tax statement, or the complete legal description.

Action by the Commission. At this point, staff is requesting concurrence to proceed with the rule-making process.

If all goes according to plan, staff expects to:

- 1) File the CR 102, along with proposed language, by March 21, 2001.
- 2) Schedule a public hearing for April 24, 2001 and, if you adopt the proposed rules at that meeting, have them go into effect by June 1, 2001.



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# ABBREVIATED REPORT RECEIPTS AND EXPENDITURES

Sample

ABB  
C4  
(11/93)

PDC OFFICE USE

POST  
MARK  
RECEIVED

JAN 03 2001

Candidate or Committee Name (Do not abbreviate. Include full name)

Office Sought (Candidates)

1. PERIOD COVERED BY REPORT: From: Jan 1, 2000 To: Jan 1 - 2001 Final Report: Yes ☐ No ☐
- a. Candidates: Start of campaign through the end of the month in which the election occurred.
- b. Ballot Measure Committees: Start of campaign through the end of the month in which the election occurred.
- c. Continuing Committees filing post-election report: January 1 through end of the month in which election occurred.
- d. Continuing Committees filing annual report: Calendar year (January 1 through December 31).

## 2. RECEIPTS

- a. Cash on hand from previous campaign or year (Include money in checking, savings and other accounts) \$ 1282.62
- b. Cash contributions received this campaign or year (Include monetary contributions, loans, fund raising and cash contributions by a candidate) \$ 616.00
- c. Total cash receipts (Add lines 2a + 2b) \$ 1898.62
- d. Other contributions, including in-kind (Include candidate's and committee workers' out of pocket expenditures, donated goods and services, filing fees paid by others and similar non-cash contributions)
- e. Total contributions (Add lines 2c + 2d) \$ 1898.62

## 3. EXPENSES

- a. Cash expenditures 3 candidates @ .400 Club Ex. 68 \$ 1628.00
- b. Other expenditures. (Enter the amount shown on line 2d above here. Non-cash contributions are listed as both received and expended. Disregard any materials which may remain on hand.) \$ 1628.00
- c. Total expenditures (Add lines 3a + 3b) \$ 1628.00

## 4. SURPLUS/DEFICIT

- a. Cash on hand at end of reporting period (Subtract: line 3a from 2c) \$ 270.62
- b. Debts and obligations owed \$ 270.62
- c. Surplus or deficit \$ 270.62

## CANDIDATES

Please complete: Primary election ☐ Won ☐ Lost ☐ Unopposed ☐ Name not on ballot ☐  
General election ☐ ☐ ☐ ☐

CERTIFICATION: I certify that this report is true and correct to the best of my knowledge.

Candidate's Signature

Date

Treasurer's Signature (if a political committee)

Date

7-2001